

MALAYSIA WEEKLY ECONOMIC NEWS

(22 November 2021 – 26 November 2021)

Topics	Highlights
<p>Malaysia registers 2.9% inflation in October</p>	<p>Malaysia's inflation rate in October, as measured by the Consumer Price Index (CPI), rose 2.9% from a year ago due to an increase in transport costs as well as prices in other segments including housing, water, electricity, gas and other fuels. For the period of January to October, the country's CPI grew 2.3% on a year-on-year basis. On a monthly basis, the inflation index in October increased 0.7% as compared to September. The Department of Statistics Malaysia said there was a double-digit increase of 11.3% in the transport group in October due to the costlier global oil prices. Stripping out fuel costs, Malaysia's inflation was up 1.5% year-on-year (y-o-y) in October. This was measured by the CPI without fuel index, which covers all goods and services except Unleaded Petrol RON95, Unleaded Petrol RON97 and Diesel.</p> <p style="text-align: right;"><i>(Source: The Star, 26 November 2021)</i></p>
<p>Economic upturn ahead</p>	<p>The economy is anticipated to see healthier prospects in the near future, as the leading index (LI) rebounded 0.6% in September 2021 against -2.3% in August, according to the Statistics Department. The rebound of the LI can be attributed to the relaxation of economic restrictions in line with the transitional phases of the National Recovery Plan (NRP). Correspondingly, the LI grew to 4% based on a monthly comparison. Overall, the LI showed a better performance which anticipated a healthier economic prospect in the near future. Separately, the performance of the Coincident Index (CI), which reflects the current state of the economy, showed a better year-on-year growth by registering 0.3% in September from a drop of 1.6% recorded in August.</p> <p style="text-align: right;"><i>(Source: The Star, 26 November 2021)</i></p>
<p>Integrated trade events platform in the making</p>	<p>Prime Minister said the government has agreed in principle to develop an Integrated Trade Events Platform specifically to enhance the country's trade competitiveness and export value digitally in line with a new trading landscape in the era of digitalisation. It was among the decisions reached at the Economic Action Council meeting to discuss strategies to revive and strengthen the country's economy after Covid-19, especially by increasing efforts to facilitate business and strengthen Malaysian trade. PM said the meeting also agreed in principle to create a Single Information Platform, which is a comprehensive portal covering all information across the export value chain to facilitate Malaysian companies to be actively involved globally.</p> <p style="text-align: right;"><i>(Source: The Star, 25 November 2021)</i></p>
<p>PM preaches importance of evidence-based policies to drive Malaysia's economy</p>	<p>The evidence-based policy (EBP) approach should be promoted in the government's effort to achieve the target of being among the world's nine best economies based on the Government Efficiency sub-index of the Institute for Management Development's (IMD) World Competitive Yearbook. Prime Minister Datuk Seri Ismail Sabri Yaakob noted that the business legislation indicator showed a significant declining trend over the last decade, from 19th place in 2010 to 47th place in 2021. EBP will be applied in the planning, evaluation and monitoring mechanism in order to ensure a comprehensive structural update for sustaining productivity and economic growth. Malaysia was placed 25th in IMD World Competitiveness rankings for 2021, up from 27th spot last year.</p> <p style="text-align: right;"><i>(Source: Malay Mail, 25 November 2021)</i></p>